



February 14, 2013

Dear City of Scottsdale Retiree:

This letter is to bring you up-to-date on FY 2013/14 retiree medical plan rates which will be approved by City Council at its February 26, 2013 meeting. The City's Benefits Consultant, Hays Companies, has completed its evaluation of retiree medical claims experience and has recommended a 6 percent rate increase for the coming year. Attached please find proposed retiree plan medical rates for FY 2013/14 which were developed to cover the full expected cost of retiree coverage for the coming year.

Attachment 1 – reflects monthly medical plan premiums applicable to retired employees for FY 2013/14.

Attachment 2 – reflects monthly medical plan premiums applicable to PSPRS Accidental Disability Retirees for FY 2013/14.

Additionally, the medical plans will remain the same for the coming year except for one relatively small change that is required by IRS Regulations. Under the Aetna Choice POS II + HSA plan the annual deductibles are being increased from \$1,200 single and \$2,400 family to \$1,250 single and \$2,500 family.

Keep in mind that this information is preliminary until it is approved by the City Council on February 26th. If you have questions please contact Benefits at [HRbenefitsemail@scottsdaleaz.gov](mailto:HRbenefitsemail@scottsdaleaz.gov) or call (480) 312-7600.

Sincerely,

Ken Nemec, Human Resources Manager



## FY 2013/14 Proposed Retiree Monthly Benefit Premiums

	FY 12/13 Retiree Contribution	6% Increase	FY 13/14 Retiree Contribution
<b>City of Scottsdale Aetna Select Plan</b>			
<b>Retiree Only</b>	\$855	\$51	\$906
<b>Retiree &amp; Child(ren)</b>	\$1,547	\$93	\$1,640
<b>Retiree &amp; Spouse/Partner</b>	\$1,847	\$111	\$1,958
<b>Retiree &amp; Family</b>	\$2,650	\$159	\$2,809
<b>City of Scottsdale Aetna Choice POSII Plan</b>			
<b>Retiree Only</b>	\$747	\$45	\$792
<b>Retiree &amp; Child(ren)</b>	\$1,352	\$81	\$1,433
<b>Retiree &amp; Spouse/Partner</b>	\$1,613	\$97	\$1,710
<b>Retiree &amp; Family</b>	\$2,315	\$139	\$2,454
<b>City of Scottsdale Aetna Choice POSII + HSA Plan</b>			
<b>Retiree Only</b>	\$715	\$43	\$758
<b>Retiree &amp; Child(ren)</b>	\$1,289	\$77	\$1,366
<b>Retiree &amp; Spouse/Partner</b>	\$1,538	\$92	\$1,630
<b>Retiree &amp; Family</b>	\$2,208	\$132	\$2,340



## FY 2013/14 Proposed Retiree Monthly Benefit Premiums Applicable to PSPRS Accidental Disability Retirees

	FY 12/13 Retiree Contribution	6% Increase	FY 13/14 Retiree Contribution	FY 13/14 Estimated City Subsidy
<b>City of Scottsdale Aetna Select Plan</b>				
Retiree Only	\$436	\$26	\$462	\$444
Retiree & Child(ren)	\$789	\$47	\$836	\$804
Retiree & Spouse/Partner	\$941	\$57	\$998	\$960
Retiree & Family	\$1,351	\$81	\$1,432	\$1,377
<b>City of Scottsdale Aetna Choice POSII Plan</b>				
Retiree Only	\$381	\$23	\$404	\$388
Retiree & Child(ren)	\$689	\$42	\$731	\$702
Retiree & Spouse/Partner	\$822	\$50	\$872	\$838
Retiree & Family	\$1,180	\$71	\$1,251	\$1,203
<b>City of Scottsdale Aetna Choice POSII + HSA Plan</b>				
Retiree Only	\$363	\$22	\$385	\$373
Retiree & Child(ren)	\$657	\$40	\$697	\$669
Retiree & Spouse/Partner	\$784	\$47	\$831	\$799
Retiree & Family	\$1,125	\$68	\$1,193	\$1,147